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City looks at adopting impact fees

By Denise Rockenstein--Staff reporter

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CLEARLAKE – The Clearlake City Council discussed the concept of adopting developer impact fees at its July 10 regular meeting. According to City Administrator Dale Neiman, establishment of an impact fee program will require a minimum of five meetings prior to implementation.

The council consented to proceeding with development of the program. City staff was directed to continue with the process and will provide the council with specific recommendations in the coming months.

"The main reason cities adopt developer impact fees is so existing residents do not subsidize new development," explained Neiman. "Almost all communities believe existing development should not subsidize new development."

According to statistics provided in Neiman's report, since 1990, 1,118 housing units have been built in the city, representing approximately \$7.8 million in lost revenues because an impact fee program has not been in place

"The development of impact fees has been put on the back burner," said Mayor Curt Giambruno. "I think it's time this concept be brought forward."

State Legislature established ground rules for the imposition and ongoing administration of impact fee programs through the Mitigation Fee Act.

The Act, which became law in January 1989, requires local governments to document certain details when adopting an impact fee. Governments must identify the purpose of the fee; identify the use of fee revenues; determine a reasonable relationship between the fee's use and the type of development paying the fee; determine a reasonable relationship between the need for the fee and the type of development paying the fee; and determine a reasonable relationship between the amount of the fee and the cost of the facility attributable to development paying the fee.

"The fee cannot be more than the cost of the public facility needed to accommodate the development paying the fee and revenues can only be used for their intended purposes," Neiman further explained. "The Act also has specific accounting and reporting requirements annually and every five years for the use of fee revenues."

The Area Planning Commission (APC) recently presented a Countywide Regional Impact Fee Program for consideration by the county and the cities of Clearlake and Lakeport. Members of the council and city administration agreed that participation in the regional program would not best serve the residents of Clearlake.

"Our position is we know best where our money should go. We don't need another agency controlling our money," Neiman said. "Any money collected by the city will stay in the city. It will be up to the council and future councils to decide where that money goes."

Councilmember Judy Thein agreed. "I support the local fees but not the regional fees," she said. "We know what our needs are and we need to be in control of our own destiny."

City Engineer Bob Galusha was on hand to add to

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the discussion. Galusha said implementation of an impact fee program is not a quick fix; however, the sooner the city implements a program, the better. "The longer the city waits to adopt a fee the higher that fee is going to go," he said. "If you start now, you'll have it when you need it."

Traffic and drainage systems were of the most concern within the discussion.

"If you don't adopt impact fees, residents will live with traffic congestion in the future," Neiman said. "If you don't do something about the storm drainage problem it's going to be an absolute mess in 15 to 25 years."

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